NAF Disability Plan

No matter how near or far, your future always needs your attention…, now!

What Happens If You Break?

- Introduction
- Enrolling
- Details
- Benefits
- Exclusions
- Termination of Coverage
- Taxes
- Filing
- *That's all…*

Introduction to NAF Disability Plan

- Protects against loss of income from an extended period of disability due to an illness or injury
- Works with sick leave, Social Security and workers compensation to ensure that you have an income if you are unable to work
- Replaces 60% of your salary up to a maximum benefit of $2,500 per month

Enrolling

- Voluntary plan
- Must decide to enroll within first 31 days of employment
- Regular, full-time NAF employee scheduled to work at least 35 hours per week
- Work in the United States or you are a U.S. citizen

Details, 1 of 4

- Must be totally disabled for two consecutive months
- You can use your accumulated sick and annual leave during the two month waiting period
- If you don’t have sufficient leave balances to cover the two months, you will be placed on Leave Without Pay (LWOP) until disability benefits begin

Details, 2 of 4

- Benefits will continue until you recover, retire, reach age 65, or die (bummer)
- If you are age 62 or older when you become disabled, payments continue as follows:

Age When Disability Commenced	Disability Benefits Will Continue
61 or younger	Until age 65
62-64	For up to 36 months
65-67	For up to 24 months
68 and over	For up to 12 months

Details, 3 of 4

- At anytime during your period of total disability, NAF Headquarters may require an examination by a physician of its choice for the purpose of verifying your continued disability
- Your benefit payments may be suspended until the examination is completed or other proof of disability is provided

Details, 4 of 4

- You must be under a physician’s care during the entire period of total disability.
- The absence of significant objective findings will result in the denial of benefit payments.

Benefits, 1 of 5

- If you qualify for disability benefits, the Plan will replace 60% of your base pay, up to a maximum of $2,500 a month
  - Base salary is the regular rate of pay, not including bonuses, overtime or tips
- The Plan guarantees a $50 minimum monthly benefit unless you are receiving worker's compensation

Benefits, 2 of 5

- If you are eligible for benefits from the NAF Retirement Plan when you become disabled, you can receive benefits from both plans
- If you receive benefits from the NAF Disability Plan, payments will be adjusted if you receive other disability benefits from:
  - Social Security (family disability)
  - Workers' Compensation (monthly or lump sum)
  - Any other group coverage
  - Mandatory, no-fault auto insurance

Benefits, 3 of 5

- Your total disability income will total at least 60% of your base salary (Max -- $2500 from Disability Plan)
- If your Social Security pension is increased after your disability begins, the increase will NOT affect your NAF disability benefit
- Benefits from a personal, individual disability product will NOT affect your NAF disability benefit

Benefits, 4 of 5

- If you are engaged in rehabilitative work, your monthly disability benefit will be reduced by 50%
- If you return to work after a single-period of illness or injury disability and have a relapse, or have two different disabilities in a short period, you will be considered to have a “separate” disability

Benefits, 5 of 5

- You may have a ‘separate” disability if:
  - Your relapse occurs after you have been back at work for three or more months, or
  - Your second disability is due to a different injury or illness
- Otherwise, your second absence will be considered a continuation of your first disability and Plan payments will resume the first day of your absence

Exclusions, 1 of 2

- The Disability Plan does not cover disabilities caused by:
  - A self-inflicted injury or illness
  - Injuries or illnesses received in a war (declared or undeclared)
- Unless you are under a doctor’s care, your disability claims will not be covered

Exclusions, 2 of 2

- Plan benefits are limited for “pre-existing” disabilities resulting from injuries or illnesses that occurred before you joined the Plan
- The Plan will not pay any benefits during the first year of coverage for any such disability

Termination of Coverage

- Coverage under the Plan will end for any of the following reasons:
  - Your NAF employments terminates
  - You cease to be a regular, full-time employee
  - You retire from NAF employment
  - You do not make your required contributions
  - NAF terminates the Plan

Taxes, 1 of 2

- Most disability benefits, like your pay, are taxable
- FICA taxes will be withheld from each payment during the course of your disability
- Federal income taxes will be withheld by request, only
- Certain tax exemptions are allowed on disability income

Taxes, 2 of 2

- An increase in your Social Security benefit at a later date will NOT affect the level of your monthly disability
- If you are no longer entitled to receive Social Security benefits for dependents, your NAF Plan disability benefit will be re-determined to coordinate with Social Security
- The NAF insurance carrier will send you a W-2 form each year

Filing a Disability Claim,

- Obtain the appropriate claims form from your benefits representative
- Complete your section of the form and have your physician complete his/her section
- Your benefits representative will be able to assist in filing our claim.

Filing a Disability Claim, 1

- Contact your Social Security Administration Office for information and claim forms to file for Social Security benefits.
- Supplemental forms may be required at intervals during your period of total disability.

Important -- Claims must be filed within one year of the onset of disability.

That’s all for now…

Your future deserves your attention right now, what are you going to do about it?

Suggestions and requests to:

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